



THE DEPUTY SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301-1000



16 JUL 1997

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
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UNDER SECRETARIES OF DEFENSE
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DIRECTOR, DEFENSE PROCUREMENT
DIRECTORS OF DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Approval of Purchase Card Program Reengineering Recommendations

In fiscal year 1996, the Department established Process Action Teams within the acquisition community and the financial management community to recommend improved business practices for use of the government purchase card for (1) micro-purchases; (2) as a payment vehicle for purchases over the micro-purchase threshold; and (3) as a method for accomplishing inter/intra departmental transfers and sales. Specifically, the two teams were tasked to standardize Department of Defense policies and procedures necessary to promote and streamline the Department's use of the government purchase card, the International Merchant Purchase Authorization Card.

The teams were composed of representatives from several offices within the Office of the Secretary of Defense, the Military Services, the Office of the Department of Defense Inspector General, the Defense Commissary Agency, the Defense Mapping Agency, the Defense Logistic Agency, the Defense Finance and Accounting Service, and Washington Headquarters Services. The teams developed a simplified process for purchase card use, which streamlines the procurement and financial management processes and provides significant cost savings to these business processes.

The recommendations in the attached report are approved for implementation. Your commitment to fully implement these recommendations will assure the Department realizes the associated efficiencies and savings.

Attachment:
As stated